

Health Services and Development Agency

Communique

A MONTHLY PUBLICATION OF THE
HEALTH SERVICES AND DEVELOPMENT AGENCY

Andrew Jackson State Office Building
500 Deaderick Street, Suite 850
Nashville, TN 37243
615.741.2364

JUNE
2010

For Meeting verification/change or agenda information, please call
the Agency Office or check our website at www.tn.gov/hsda

HEALTH SERVICES & DEVELOPMENT AGENCY

Chair..... Carl Koella, III
Vice-ChairGreg Lammert
Executive Director Melanie Hill
General Counsel Reid A. Brogden

Department of Health, Division of Health Statistics,
Office of Policy, Planning and Assessment
615.741.1954
Department of Mental Health and Developmental Disabilities,
Office of Policy Planning
615.532.6500

Office Hours are 8:00 a.m. to 4:30 p.m., Central Time, Monday through Friday

ALL RECORDS ARE PUBLIC INFORMATION

CALENDAR

The Health Services and Development Agency office will be closed in 2010 on the following days:

Friday, January 1 – New Year's Day
 Monday, January 18 – Martin Luther King Day
 Monday, February 15 – President's Day
 Friday, April 2 – Good Friday
 Monday, May 31 – Memorial Day
 Monday, July 5 – Independence Day observed
 Monday, September 6 – Labor Day

* Monday, October 11 – Columbus Day * *will be substituted for the day after Thanksgiving at the Governor's discretion.*
 Thursday, November 11 – Veteran's Day
 Thursday, November 25 – Thanksgiving Day
 * Friday, November 26 – substituted for Columbus Day
 Friday, December 24 – Christmas Eve
 Friday, December 31 – New Year Eve

2010 REVIEW CYCLE

2010 Cycle	Publication Dates- Letter of Intent	Application	HDSA Meeting	* End of Appeal Period
January	12/01/09-12/10/09	5 days after Publication	03/24/09	04/08/10
February	01/01/10-01/10/10	"	04/28/10	05/13/10
March	02/01/10-02/10/10	"	05/26/10	06/10/10
April	03/01/10-03/10/10	"	06/23/10	07/08/10
May	04/01/10-04/10/10	"	07/28/10	08/12/10
June	05/01/10-05/10/10	"	08/25/10	09/09/10
July	06/01/10-06/10/10	"	09/22/10	10/07/10
August	07/01/10-07/10/10	"	10/27/10	11/11/10
September	08/01/10-08/10/10	"	11/17/10	12/02/10
October	09/01/10-09/10/10	"	12/15/10	12/30/10
November	10/01/10-10/10/10	"	01/26/11	02/10/11
December	11/01/10-11/10/10	"	02/23/11	03/10/11

In the event that the last appropriate filing date falls on a Saturday, Sunday, or legal holiday, such filing should occur on the preceding business day.

* Appeal deadline is 15 days after meeting date

STATE OF TENNESSEE POLICY OF NON-DISCRIMINATION

PURSUANT TO THE STATE OF TENNESSEE'S POLICY OF NON-DISCRIMINATION, THE HEALTH SERVICES AND DEVELOPMENT AGENCY DOES NOT DISCRIMINATE ON THE BASIS OF RACE, SEX, RELIGION, COLOR, NATIONAL OR ETHNIC ORIGIN, AGE, DISABILITY OR MILITARY SERVICE IN ITS POLICIES OR IN THE ADMISSION OR ACCESS TO, OR TREATMENT OR EMPLOYMENT IN, ITS PROGRAMS, SERVICES OR ACTIVITIES.

EQUAL EMPLOYMENT OPPORTUNITY/AFFIRMATIVE ACTION INQUIRIES OR COMPLAINTS SHOULD BE DIRECTED TO THE HEALTH SERVICES AND DEVELOPMENT AGENCY EEO/AA COORDINATOR OR OFFICER, HEALTH SERVICES AND DEVELOPMENT AGENCY, 500 DEADERICK STREET, SUITE 850, NASHVILLE, TN 37243. TELEPHONE No.: 615/741-2364. ADA INQUIRIES OR COMPLAINTS SHOULD BE DIRECTED TO THE HEALTH SERVICES AND DEVELOPMENT AGENCY'S ADA COORDINATOR: REID BROGDEN, HEALTH SERVICES AND DEVELOPMENT AGENCY, 500 DEADERICK STREET, SUITE 850, NASHVILLE, TN 37243. TELEPHONE NO.: 615/741-2364.

HEALTH SERVICES AND DEVELOPMENT AGENCY MEETINGS

THSDA Meetings are scheduled to be held at
8:30 a.m. CDT/CST
at the following locations:

++++++

June - December *
Legislative Plaza
Room 12
Sixth Avenue North & Union Street
Nashville, TN

++++++

* Meeting locations are subject to change

** All meetings of the Health Services and Development Agency are posted
on the Agency's website at www.tn.gov/hsda

EXECUTIVE DIRECTOR'S ANNOUNCEMENTS:

PLEASE NOTE:

In order that the Agency members may have sufficient time to review the meeting packet, please submit all support, rebuttal and comments for matters on the Agency's agenda no later than noon (Central Time) on the thirteenth day before the meeting at which that matter will be Heard. The parties are encouraged to provide 26 copies. In accordance with T.C.A., Section 68-11-1609(g)(1), any health care institution wishing to oppose a Certificate of Need application must file a written objection with the Agency and serve a copy on the applicant no later than fifteen days before the agency meeting at which time the application is originally scheduled.



Health Services and Development Agency
Authorization No. 316323
This document was promulgated at a cost of 93¢ per copy.
June 2010

RESULTS OF APPLICATIONS HEARD AT THE MAY MEETING

Arbor Place of Puryear
220 College Street
Puryear (Henry County), TN 38251
CN1001-002
Contact Person: Mary Catrino, Business
Development
Phone No.: 573-931-9353
DEFERRED TO THE JULY MEETING

The addition of fourteen (14)* dually certified skilled nursing home (SNF) beds to the existing thirty-two (32) SNF beds for a total of forty-six (46) SNF beds. No major medical equipment or new construction will be involved.
\$ 1,049,166.00
* These beds **will** be subject to the Nursing Home Bed Pool for 2009-2010.

Caris Healthcare, LP
5120 Telecom Drive
Milan (Gibson County), TN 38358
CN1002-006
Contact Person: Norman McRae, CEO
Phone No.: 865-694-4848
DENIED

The addition of Lake County for the expansion of hospice services only. The existing service area includes the counties of Benton, Carroll, Chester, Crockett, Decatur, Dyer, Gibson, Henderson, Henry, Madison, Obion and Weakley. The parent office is located at 5120 Telecom Drive, Milan (Gibson Co.), TN.
\$ 4,000.00

The Health Center of Nashville, LLC
2816 Old Hickory Blvd.
Nashville (Davidson County), TN 37221
CN1002-007
Contact Person: Bruce K. Duncan, Assistant Vice
President
Phone No.: 615-890-2020
APPROVED

A change of site/relocation of 150 beds from McKendree Village, 4347 Lebanon Road, Hermitage (Davidson Co.) TN 37076 to 2816 Old Hickory Boulevard, Nashville (Davidson Co.), TN 37221. Pursuant to T.C.A. § 68-11-1628, the proposed site will be a newly constructed 150 bed nursing home located on approximately 50 acres. The Health Center of Nashville will be certified for both Medicaid and Medicare participation.
\$ 23,320,300.00

University of Tennessee Medical Center
1924 Alcoa Highway
Knoxville (Knox County), TN 37920
CN1002-008
Contact Person: Jerry W. Taylor, Esq.
Phone No.: 615-726-1200
APPROVED

The acquisition of an additional magnetic resonance imaging (MRI) unit, to be located and utilized on the main campus of University of Tennessee Medical Center (UTMC). A one-story addition will be constructed to house the new unit. No inpatient beds are involved in this project and no services will be initiated or discontinued
\$ 3,540,478.00

Dickson Surgical Specialties, LLC
123 Crestview Park Drive
Dickson (Dickson County), TN 37055
CN1002-009
Contact Person: E. Graham Baker, Jr., Esq.
Phone No.: 615-370-3380
WITHDRAWN

The establishment of a multi-specialty ambulatory surgical treatment center (ASTC). The approximate 9,047 GSF facility will contain two (2) operating rooms, recovery, staffing, patient, family and administrative areas. There will be no beds and no major medical equipment involved with this project. No other health services will be initiated or discontinued. As a result of this project, a Simultaneous Review Application has been filed by Natchez Surgery Center, CN1002-011, Dickson (Dickson County), TN 37055.
\$ 7,588,693.00

RESULTS OF APPLICATIONS HEARD AT THE MAY MEETING

Natchez Surgery Center
107 Natchez Park Drive
Dickson (Dickson County), TN 37055
CN1002-011
Contact Person: John L. Wellborn, Consultant
Phone No.: 615-665-2022

APPROVED

The establishment of an ambulatory surgical treatment center (ASTC) with three (3) operating rooms and three (3) procedure rooms. This application has been filed as a Simultaneous Review Application of Dickson Surgical Specialties, CN1002-009, Dickson (Dickson County), TN 37055. Upon approval CN0801-001A will be surrendered which is for a similar facility at this site. The intent of this application is to change the project's organizational form to permit physician ownership participation. When the six (6) new surgical rooms are licensed and operational, Horizon Medical Center will cease to staff five (5) of its operating and procedure rooms. The net impact of this project will increase Dickson County's total number of staff operating and procedure rooms by one (1) room, from nine (9) to ten (10) total rooms. This project does not include major medical equipment, initiate or discontinue any health care service; and does not involve any inpatient beds.

\$ 13,073,892.00

The Proton Therapy Center
1435 Old Weisgarber Road, Suite 100
Knoxville (Knox County), TN 37909
CN1002-010
Contact Person: John L. Wellborn, Consultant
Phone No.: 615-665-2022

APPROVED

The establishment of an ambulatory surgical treatment center (ASTC) limited to radiation therapy; the acquisition of major medical equipment (proton therapy equipment and related components); and the initiation of outpatient proton therapy services for cancer patients. The project does not contain any other type of major medical equipment, initiate or discontinue any other health services; and it will not affect any facility's licensed bed complement.

\$ 118,785,747.00

GENERAL COUNSEL'S REPORT

Tennessee Sports Medicine Surgery Center
Crossings Circle, Mt. Juliet Road and Adams Lane
Mt. Juliet (Wilson County), TN
CN0411-103A
Contact Person: William H. West, Esq.
Phone No.: 615-726-5600

APPROVED

Request to allow Dr. Kaelin to substitute the old professional corporation, Tennessee Sports Medicine Surgery Center (TSMSC), to the new professional corporation of Tennessee Sports Medicine and Orthopedics, P.C. Dr. Kaelin will be the sole owner and will continue to practice. Originally, it was also affiliated with Dr. Greg White, whom has since left this practice. The new professional corporation will also allow the employment of other physicians who are currently employed by Tennessee Sports Medicine and Orthopedics, P.C. This project was approved on February 23, 2005 for the establishment of an ambulatory surgical treatment center (ASTC) limited to pain management services to the TSMSC's patients with a project cost of \$1,877,445.00. On March 25, 2009 a request for a ninety (90) day extension of the expiration date from April 1, 2009 to July 1, 2009 was approved. The project was completed on May 1, 2009.

APPLICATIONS TO BE HEARD AT THE JUNE MEETING

Home Care Agency of Middle Tennessee, LLC
5115 Maryland Way
Brentwood (Williamson County), TN 37027
CN1001-001
Contact Person: Nodira Rakhmatkarieva, Esq.
Phone No.: 718-338-6300

Establishment of a home health agency to provide home health services to the elderly mentally ill population of Davidson, Rutherford, Sumner and Williamson Counties. The applicant is a personal support services agency licensed to provide services in Davidson, Rutherford and Williamson Counties. It is located at 5115 Maryland Way, Brentwood, TN 37027.
\$ 69,000.00

Rainbow Health & Rehab of Memphis, LLC
8119 Memphis Arlington Road
Bartlett (Shelby County), TN 38133
CN1003-012
Contact Person: Michael D. Brent, Esq.
Phone No.: 615-252-2361

The addition of three (3)* licensed nursing home beds to existing 112 licensed beds, to create a total of 115 licensed nursing home beds. The applicant proposes adding the beds by converting three (3) existing single to double occupancy rooms.
\$ 24,102.00
* These beds **will be** subject to the Nursing Home Bed Pool for 2009-2010.

Dayton Medical Investors, LLC dba Life Care
Center of Rhea County
Unaddressed site on Manufacturers Road
Dayton (Rhea County), TN 37321
CN1003-013
Contact Person: Cindy S. Cross, Sr. Director of Legal Service
Phone No.: 423-473-5867

The relocation and replacement of an eighty-nine (89)* bed nursing home located at 7824 Rhea County Highway, Dayton (Rhea County), TN 37321 to an unaddressed site on Manufacturers Road, Dayton (Rhea County), TN 37321. No new beds are requested, no services will be initiated or discontinued, and no medical equipment is requested.
\$ 15,094,887.00
* These beds **will not be** subject to the Nursing Home Bed Pool for 2009-2010.

Southern Hills Medical Center
391 Wallace Road
Nashville (Davidson County), TN 37211
CN1003-014
Contact Person: Jerry W. Taylor, Esq.
Phone No.: 615-726-1200

The initiation of inpatient rehabilitation services and the addition of twelve (12) inpatient beds to its license to be designated as rehabilitation beds, and the establishment of a twelve (12) bed inpatient rehabilitation unit in the main hospital facility. The licensed bed complement will increase from 120 to 132. The hospital will continue to be licensed as a general hospital.
\$ 450,000.00

APPLICATIONS TO BE HEARD AT THE JUNE MEETING

GENERAL COUNSEL'S REPORT

Erlanger East
1755 Gunbarrel Road
Chattanooga (Hamilton County), TN
CN0405-047A
Contact Person: Joseph M. Winnick
Phone No.: 423-778-7000

Request for an extension of the expiration date for a twenty-four (24) months from December 1, 2010 to December 1, 2012. On June 25, 2008 a request for twenty-four (24) month extension of the expiration date was approved from December 1, 2008 to December 1, 2010. This project was approved at the October 27, 2004 Agency meeting for the construction of a new four (4) story patient tower and other ancillary space; transfer of seventy-nine (79) beds from the main campus to the east campus; initiation of cardiac catheterization; and the acquisition of a magnetic resonance imaging (MRI) scanner. This project decreased the main campus beds from 703 to 624 licensed beds and increased the east campus beds from 28 to 107 licensed beds. The project cost was \$68,725,321.

Monroe Carell Jr. Children's Hospital at Vanderbilt
2200 Children's Way
Nashville (Davidson County), TN
CN0710-075A
Contact Person: Ronald W. Hill, MPH, Vice
President, Strategic Development
Phone No.: 615-936-6012

Request for modifications of the proposed project by completing and licensing in phases. This project was approved on January 23, 2008 for the expansion of the existing Monroe Carell Jr. Children's Hospital (MCJCH) which is licensed as part of Vanderbilt University Hospital (VUH). The project includes a new building with 90 additional pediatric acute critical care beds, 36 neonatal intensive care beds (20 new and 16 relocated), new surgical suites and space for the relocation of obstetrical services. VUH's licensed bed capacity will increase from 946 to 1,051. Phase 1: The addition to the northwest side of the existing bed tower allowing implementation of 32 of the 90 pediatric acute care beds, 8 of the new neonatal intensive care beds for a total of 40 newly constructed beds. Due to the interface with the existing building 7 existing beds will be lost. The cost of Phase 1 will be \$30 million and the anticipated completion date will be early spring of 2012. The remainder of the project will be implemented in later phases within the current expiration date and within the projected cost of \$248,326,286.00

Life Care Center of Collegedale
9210 Apison Pike
Collegedale (Hamilton County), TN
CN0803-014A
Cindy S. Cross, Sr. Director of Legal Services
Phone No. 423-473-5867

Request for an extension of the expiration date from August 1, 2010 to August 1, 2011. This project was approved on June 25, 2008 for the renovation of the facility to eliminate four (4) bed wards, convert some semi-private rooms to private rooms, expand rehab space, and update furnishings and finishes throughout the building. The 124 licensed beds will not change as a result of this project. The project cost is \$8,484,137.00.

APPLICATIONS TO BE HEARD AT THE JULY MEETING

Arbor Place of Puryear
220 College Street
Puryear (Henry County), TN 38251
CN1001-002
Contact Person: Mary Catrino, Business
Development
Phone No.: 573-931-9353

DEFERRED FROM THE MAY MEETING

Wang Vision Cataract Surgery Center, LLC
Palmer Plaza, 1801 West End Avenue
Nashville (Davidson County), TN 37203
CN1004-015
Contact Person: Winston B. Sitton, Esq.
Phone No. 615-513-7516

Fort Sanders Regional Medical Center
1915 White Avenue
Knoxville (Knox County), TN 37916
CN1004-016
Contact Person: Mike Richardson, Vice President,
Planning & Business Development
Phone No. 865-374-0440

Jamestown Regional Medical Center
436 Central Avenue West
Jamestown (Fentress County), TN 38556
CN1004-017
Contact Person: J. Richard Lodge, Esq.
Phone No. 615-742-6254

Life Care Center of Collegedale
9210 Apison Pike
Collegedale (Hamilton County), TN 37315
CN1004-018
Contact Person: Cindy S. Cross, Sr. Director of
Legal Services
Phone No. 423-473-5867

The addition of fourteen (14)* dually certified skilled nursing home (SNF) beds to the existing thirty-two (32) SNF beds for a total of forty-six (46) SNF beds. No major medical equipment or new construction will be involved.

\$ 1,049,166.00

* These beds **will be** subject to the Nursing Home Bed Pool for 2009-2010.

The establishment of an ambulatory surgical treatment center (ASTC) limited to ophthalmic procedures. It will include two (2) operating rooms. The project does not contain major medical equipment or initiate or discontinue any other health services; and will not affect any facility's licensed bed complement.

\$ 2,199,187.00

The acquisition of Gamma Knife equipment by lease and associated renovation of existing building space. The project does not involve the initiation of any new health care service requiring a Certificate of Need (CON) or a change in the licensed bed complement.

\$ 6,483,291.00

The discontinuation of obstetrical services. Four (4) obstetric beds will be converted to medical/surgical beds. The 85 licensed bed complement will remain unchanged. The request does not involve the purchase of major medical equipment.

\$ 30,000.00

A cost increase of the project approved under CN0803-014A from \$8,484,137 to \$11,710,177 (an increase of \$3,226,040). Neither the number of licensed beds nor the scope of the project will change as a result of this request. No services will be added or deleted and no major medical equipment is requested.

\$ 3,226,042.00

APPLICATIONS TO BE HEARD AT THE JULY MEETING

Middle Tennessee Medical Center, Inc.
1700 Medical Center Parkway
Murfreesboro (Rutherford County), TN 37129
CN1004-019
Contact Person: Robert M. Limyansky, Consultant
Phone No. 770-394-8465

The relocation of the hospital's radiation therapy service from 503 Bell Street, Murfreesboro (Rutherford County), TN. The project proposes to relocate the facility to 13,757 square feet of leased space in a medical office building on the campus of the new Middle Tennessee Medical Center immediately west of the hospital location at 1700 Medical Center Parkway, Murfreesboro (Rutherford County), TN at the Gateway development off Interstate 24. Several pieces of major medical equipment will be replaced or upgraded (two linear accelerators and one CT scanner), but no additional equipment will be added.
\$ 12,676,690.00

Johnson City Medical Center
400 North State of Franklin Road
Johnson City (Washington County), TN 37604
CN1004-020
Contact Person: Tony Benton, Vice President,
Strategic Planning
Phone No. 423-431-6824

The construction of a sixteen (16) room surgery site, supporting Pre/Post/PACU unit and central sterile unit attached to the existing main campus building of Johnson City Medical Center. No new services will be initiated and no major medical equipment will be purchased. There will be no change in the hospital bed complement.
\$ 65,917,000.00

APPLICATIONS TO BE HEARD AT THE AUGUST MEETING

Campbell Clinic
1211 Union Avenue
Memphis (Shelby County), TN 38104
CN1005-021
Contact Person: Kim H. Looney, Esq.
Phone No. 615-850-8722

The initiation of magnetic resonance imaging (MRI) services and the acquisition of an MRI from Semmes-Murphey Clinic. Campbell Clinic will continue to operate the MRI at its current location.
\$ 778,843.00

University of Tennessee Medical Center
1924 Alcoa Highway
Knoxville (Knox County), TN 37920
CN1005-022
Contact Person: Jerry W. Taylor, Esq.
Phone No. 615-726-1200

The construction of an addition to the existing surgery facilities consisting of approximately 28,000 square feet of space to house thirteen (13) new operating rooms. The project also includes the renovation of approximately 12,000 square feet of existing space in the surgical facilities and a new endovascular suite in space currently housing three (3) small operating rooms and a storage space. This will result in a net addition of ten (10) operating rooms and one (1) endovascular suite. Major medical equipment to be acquired is a new endovascular lab and related equipment. The expansion project will be on the main campus. No new services will be initiated and no current services will be discontinued. This project does not involve any inpatient beds.
\$ 18,432,272.00

APPEALS OF AGENCY DECISIONS

<u>FACILITY</u>	<u>DOCKET #</u>	<u>DESCRIPTION</u>	<u>Approved/ Denied</u>
Hancock County Home Health Agency Sneedville, Hancock County CN0812-121A	25.00-103361J	Appeal of Approval of CON	5/27/2009
Lebanon Healthcare Partners, LLC d/b/a Surgery Center of Lebanon Lebanon, Wilson County CN0906-036A	25.00-07734J	Appeal of Approval of CON	4/28/2010
United Regional Medical Center Manchester, Coffee County CN0707-060A	25.00- 097676J	Appeal of Approval of CON	12/12/2007
United Regional Medical Center Nursing Home Manchester, Coffee County CN0707-061A	25.00- 097677J	Appeal of Approval of CON	12/12/2007

Health Services and Development Agency Members

Carl Koella
(Consumer, Speaker of the Senate)

Bryan Atchley
(Nursing Home)

Jimmy Bishop
(Consumer, Speaker of the House)

Charlotte C. Burns
(Hospital)

Charles Handorf, M.D.
(Physician)

Clark Jones
(Consumer, Governor)

Gregory Lammert
(Home Care)

Justin Wilson
(Comptroller)
Faye Weaver, Designee

Leslie Shechter Newman
(Commerce & Insurance Commissioner)
Lisa Jordan, Designee

Darin J. Gordon
(Director of TennCare)
Keith Gaither, Designee